

Date: November 7, 2023

To,
BSE Limited
Corporate Relationship Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400 001

The National Stock Exchange of India Limited
Exchange Plaza,
Block G, C-1, Bandra-Kurla Complex,
Bandra (East),
Mumbai-400 051

BSE Scrip Code: 533287

NSE Symbol: ZEELEARN

Sub: Outcome of the Board Meeting held on November 7, 2023.

Dear Sir/Ma'am,

In furtherance to our Intimation dated November 1, 2023 and pursuant to Regulation 30 & 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, we wish to inform you that the Board of Directors of Zee Learn Limited at their Meeting held today (i.e. Tuesday, November 7, 2023), has inter alia, transacted the following businesses:

1. Approved Unaudited Financial Results (i.e. Standalone and Consolidated) of the Company for the quarter and half year ended September 30, 2023 as recommended by the Audit Committee.
2. Pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Unaudited Financial Results (i.e. Standalone & Consolidated) for the quarter and half year ended September 30, 2023 along with Limited Review Report thereon issued by Ford Rhodes Parks & Co. LLP, Statutory Auditors of the Company;

The meeting of the Board of Directors of the Company commenced at 03:30 p.m. and concluded at 07:10 p.m.

We request you to kindly take the aforesaid information on your record.

Thanking you.

Yours faithfully,

For ZEE LEARN LIMITED

**ANIL GUPTA
COMPANY SECRETARY &
COMPLIANCE OFFICER**

Encl: as above

FORD RHODES PARKS & CO LLP

CHARTERED ACCOUNTANTS

(Formerly Ford, Rhodes, Parks & Co.)

SAI COMMERCIAL BUILDING
312/313, 3RD FLOOR,
BKS DEVSHI MARG,
GOVANDI (EAST),
MUMBAI - 400 088.

TELEPHONE : (91) 22 67979819
: (91) 22 67979820
FAX : (91) 22 67979821
EMAIL : frptax@gmail.com

Independent Auditor's Review Report

To
The Board of Directors,
Zee Learn Limited

Re: Limited Review Report for the quarter and half year ended 30 September 2023

1. We have reviewed the accompanying Statement of unaudited standalone financial results of **Zee Learn Limited** (the "Company") for the quarter and half year ended 30 September 2023 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



A Partnership Firm with Registration. No: BA61078 converted into a Limited Liability Partnership (LLP) namely
FORD RHODES PARKS & CO LLP w.e.f August 4, 2015 - LLP Identification No. AAE4990
Also at: **BENGALURU - CHENNAI - KOLKATA - HYDERABAD**

4. Basis of qualified conclusion

- a) As stated in Note 5 to the Statement, Yes Bank Limited (Yes Bank) had invoked the Corporate Guarantee issued by the Company and its subsidiary i.e. Digital Ventures Private Limited (DVPL) upon non-repayment of credit facilities availed by Four Trusts/entity, and called upon the Company and DVPL to make payment of an amount of Rs. 44,962.56 lakhs (including interest and other charges upto 31 July 2021). As further stated in the note, the Company and DVPL have received notices from Yes Bank regarding filing of petitions under section 7 of the Insolvency and Bankruptcy Code, 2016 to initiate Corporate Insolvency Resolution Process (CIRP) of the Company and DVPL (as corporator guarantors) before the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai. Also as stated in the said note, Yes Bank vide its letters dated 30 December 2022 has informed the Company and DVPL that it has assigned and transferred the above credit facilities to J.C. Flowers Asset Reconstructions Private Limited (J.C. Flowers) and the amount outstanding therein as at 30 November 2022 is Rs. 52,254.63 lakhs (including interest and penal charges). As further explained in the said note, on 10 February 2023 the Hon'ble NCLT admitted the application filed by Yes Bank against the Company and DVPL and ordered the commencement of the CIRP under the IBC. However, an appeal was filed before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by the Company and NCLAT vide its order dated 16 February 2023 set aside the impugned order dated 10 February 2023 passed by the NCLT and disposed off the appeal in accordance with law. As further explained in the said note, subsequently J.C. Flowers filed Special Leave Petition (SLP) in the Hon'ble Supreme Court for setting aside of the final order dated 16 February 2023 passed by NCLAT. On 29 March 2023, the Hon'ble Supreme Court allowed the SLP and stayed the further proceedings of NCLT and the matter is currently pending for hearing before the Hon'ble Supreme Court. As further stated in the said note, during the quarter ended 30 September 2023, the Company, DVPL along with four trusts/entity have entered into settlement agreement with J.C. Flowers on 7 August 2023 to settle obligations w.r.t loans borrowed by the said four trusts/entity and the Company has made payment of Rs. 1,600 lakhs towards the settlement and the same has been shown as recoverable as at 30 September 2023 under other current financial assets. Till the time the settlement is in progress and the obligations w.r.t. loans are duly settled by the respective borrowers, Company and DVPL (Jointly/severally) in terms of the settlement agreement and the legal proceedings initiated in connection therewith are either settled/withdrawn, the matters covered under the aforesaid legal proceedings shall remain sub-judice. Since the matter continues to remain sub-judice and the Company/DVPL along with four trusts/entity are progressing towards the settlement, the Company is of the opinion that any liability devolving on the Company will be crystallized once all payments under the settlement agreement are duly made. Further the Company is taking necessary steps to assess the actual liability and recoverability of amounts paid at the end of tenure of settlement agreement. In view of above, the Company is of the opinion that no liability is required to be provided at this stage

Despite the above invocation of Corporate Guarantee and signing of settlement agreement, the Company has not provided for liability against the invocation of the Corporate Guarantee as at 30 September 2023 as required by the applicable Indian Accounting Standard (Ind AS). Also the Company has not assessed the impairment of payment of Rs. 1,600 lakhs made towards the settlement. Further, in the absence of sufficient and appropriate evidence to corroborate the management's conclusion of non-recognition of the liability towards Corporate Guarantee invocation and assessment of impairment of payment of Rs. 1,600 lakhs made towards the settlement, we are unable to comment upon adjustments, if any, required on the Statement.



FORD RHODES PARKS & CO LLP

- b) As stated in the note 6, one of the subsidiaries viz. Digital Ventures Private Limited (DVPL) had defaulted in repayment of loans availed from two Lenders. In this regard, One of the Lenders vide its notice dated 14 February 2022 issued to the Company had invoked the Corporate Guarantee issued by the Company on behalf of DVPL, and called upon the Company to make payment of an amount of Rs. 9,162 lakhs outstanding as at 30 June 2021 with further interest w.e.f. 01 July 2021 as per the terms of the sanction letters. As further stated in said note, during the previous year, the Company had also received notice from the other Lender invoking the Corporate Guarantee issued by the Company on behalf of DVPL, and called upon the Company to make payment of an amount of Rs. 2,299 lakhs outstanding as at 30 June 2021.

As stated in the said note, Covid-19 Pandemic had caused disruption in the activities especially in the education sector and there were restrictions on carrying out the operations of schools under the brick and mortar model, however, the schools have opened up and students are being enrolled. Further as stated in the said note, DVPL has started making repayment of its loan through an agreed mechanism as per discussions with the Lenders. In view of above, the Company is of the opinion that no liability is required to be provided as at 30 September 2023.

However, the Company has not provided for liability against above invocation of the Corporate Guarantees as at 30 September 2023 as required by the applicable Indian Accounting Standard (Ind AS). Further, in the absence of sufficient and appropriate evidence to corroborate management's conclusion on the non-recognition of the liability, we are unable to comment upon adjustments, if any, required on the Statement.

- c) As stated in note 3 of the Statement, the Company has investments in its wholly owned subsidiary viz Digital Ventures Private Limited (DVPL) in the form of Equity shares, Convertible Debentures and Preference shares (including redemption premium) of Rs. 45,002.24 lakhs, loan and receivables of Rs. 11,377.05 lakhs aggregating to Rs. 56,379.29 lakhs as at 30 September 2023. As further stated in the said note, there are ongoing proceedings against DVPL w.r.t Corporate Insolvency Resolution Process (CIRP) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) before the Hon'ble National Company Law Tribunal (NCLT) Mumbai and the Company has provided Rs. 21,857.05 lakhs towards impairment loss till 30 September 2023. Out of the total impairment loss of Rs. 21,857.05 lakhs, the Company, out of abundant caution and prudent accounting practices, had provided Rs. 10,855 lakhs towards impairment of its investments (including redemption premium) in DVPL and the same was disclosed as an "Exceptional item" during the year ended 31 March 2023. The Company considers the balance amount of Rs 34,522.24 lakhs as good and recoverable as at 30 September 2023.

DVPL defaulted in repayment of its loans availed from two lenders and w.r.t. the said loans, the lenders have invoked the Corporate guarantee given by the Company on behalf of DVPL (Refer note 6 of the Statement). Further, Yes Bank Limited had also invoked Corporate Guarantee issued by the Company and DVPL w.r.t. credit facilities availed by four trusts/entity, and petitions have been filed by Yes Bank Limited against the Company and DVPL (as corporate guarantors) initiating Corporate Insolvency Resolution Process (CIRP) under section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) (Refer note 5 of the Statement). Accordingly, owing to above events and uncertainties, and further in the absence of sufficient and appropriate evidence to corroborate the management's assessment of impairment of its net investment of Rs. 34,077.25 lakhs and recoverability of net receivables of Rs. 444.99 lakhs aggregating to Rs. 34,522.24 lakhs from DVPL as at 30 September



FORD RHODES PARKS & CO LLP

2023, we are unable to comment on the appropriateness of the carrying value of its investment and recoverability of receivables from DVPL of Rs. 34,522.24 lakhs as at 30 September 2023 and its consequential impact on the Statement for the quarter and half year ended 30 September 2023.

Our conclusion on the unaudited standalone financial results for the quarter and half year ended 30 September 2022, quarter ended 30 June 2023 and our opinion on the audited standalone financial results for the year ended 31 March 2023 was also modified in respect of the matters stated above.

5. **Qualified conclusion**

Based on our review conducted as above, except for the effects/possible effects of the matter described in paragraph 4 above, nothing has come to our attention that causes us to believe that the Statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard (Ind AS) and other recognised accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. **Material Uncertainty relating to Going Concern**

As stated in Note 7 of the Statement, the Covid-19 pandemic had caused an adverse impact on the business operations of the Company and its financial health. The Company also defaulted in repayments of its debt obligations. Further, the Company and its subsidiary company had received notices from the lenders for invocation of Corporate Guarantees and there are Corporate Insolvency Resolution Process (CIRP) proceedings filed against the Company and its subsidiary. These events indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, considering the management's reevaluation and conclusion that the Company will have sufficient liquidity to continue its operations, demand for its product portfolio, improvement in projected cashflows and further based on business potential and the mitigating steps being taken by the Company, the Statement has been prepared on going concern basis.

Our conclusion on the Statement is not modified in respect of the above matter.

For Ford Rhodes Parks & Co. LLP

Chartered Accountants

Firm Registration Number: 102860W/W100089


Ramaswamy Subramanian
Partner
Membership Number 016059

Mumbai, 07 November 2023

UDIN: 23016059BGYZLH4128



**Zee Learn Limited**

CIN : L80301MH2010PLC198405

Regd Office :- Continental Bldg., 135, Dr. Annie Besant Road, Worli, Mumbai 400 018

Website: www.zeelearn.com ; email: investor_relations@zeelearn.com ; Tel : 91-22-71541895

Statement of Standalone Unaudited Financial Results for the quarter and half year ended 30 September 2023

(₹ in lakhs except EPS data)

	Quarter ended			Half year ended		Year ended
	30 September 2023 (Unaudited)	30 June 2023 (Unaudited)	30 September 2022 (Unaudited)	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)	31 March 2023 (Audited)
1 Income						
Revenue from operations	3,375.93	7,529.17	3,678.21	10,905.10	8,530.29	19,046.10
Other income	195.66	273.06	124.89	468.72	958.11	1,489.80
Total income	3,571.59	7,802.23	3,803.10	11,373.82	9,488.40	20,535.90
2 Expenses						
Purchase of stock-in-trade	583.76	2,125.73	1,088.58	2,709.49	2,406.95	7,805.11
Change in inventories of stock-in-trade	257.12	194.13	(242.98)	451.25	(434.72)	(2,127.48)
Operational cost	116.72	86.69	25.05	203.41	96.34	280.34
Employee benefits expense	806.98	958.35	706.65	1,765.33	1,434.22	2,997.50
Finance costs (Refer note 8)	384.49	675.08	644.23	1,059.57	1,297.39	2,639.87
Depreciation and amortisation expense	95.75	95.58	95.67	191.33	221.13	436.98
Selling and marketing expenses	526.72	1,335.39	258.78	1,862.11	595.95	2,289.24
Other expenses	902.42	798.30	291.08	1,700.72	842.83	2,197.52
Total expenses	3,673.96	6,269.25	2,867.06	9,943.21	6,460.09	16,519.08
3 Profit before tax before exceptional items (1 - 2)	(102.37)	1,532.98	936.04	1,430.61	3,028.31	4,016.82
4 Less: Exceptional items (Refer Note 3 and 4 below)	-	-	-	-	-	38,667.23
5 Profit/(Loss) before tax after exceptional items (3-4)	(102.37)	1,532.98	936.04	1,430.61	3,028.31	(34,650.41)
6 Tax expense						
Current tax - Current year	18.82	526.32	277.91	545.14	845.40	1,306.28
- earlier year	-	-	-	-	-	56.55
Deferred tax	29.76	(107.98)	(58.08)	(78.22)	(71.42)	(230.95)
Total tax expense	48.58	418.34	219.83	466.92	773.98	1,131.88
7 Net Profit / (Loss) for the period / year after tax (5-6)	(150.95)	1,114.64	716.21	963.69	2,254.33	(35,782.29)
8 Other comprehensive income/(loss) (including tax effect)						
(i) Items that will not be reclassified to statements of profit and loss	(17.09)	30.06	0.23	12.97	8.76	(0.70)
(ii) Items that will be reclassified to statements of profit and loss	-	-	-	-	-	-
Other comprehensive income/(loss) (i+ii)	(17.09)	30.06	0.23	12.97	8.76	(0.70)
9 Total comprehensive income/(loss) for the period/year (7+8)	(168.04)	1,144.70	716.44	976.66	2,263.09	(35,782.99)
10 Paid up equity share capital (face value ₹ 1 per share)	3,260.93	3,260.93	3,260.93	3,260.93	3,260.93	3,260.93
11 Other equity						
Earnings per share (Not annualised for the interim period):						
- Basic (₹)	(0.05)	0.34	0.22	0.30	0.69	(10.97)
- Diluted (₹)	(0.05)	0.34	0.22	0.30	0.69	(10.97)



**Zee Learn Limited**

CIN : L80301MH2010PLC198405

Regd Office :- Continental Bldg., 135, Dr. Annie Besant Road, Worli, Mumbai 400 018

Website: www.zeelearn.com ; email: investor_relations@zeelearn.com ; Tel : 91-22-71541895

Standalone Unaudited Statement of Assets and Liabilities as at 30 September 2023 (₹ in lakhs)

	As at 30 September 2023 (Unaudited)	As at 31 March 2023 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	233.25	212.12
Right-of-use assets	233.75	344.75
Capital work-in-progress	-	-
Investment property	5.85	5.85
Other Intangible assets	50.44	73.67
Intangible assets under development	9.60	5.15
Financial assets		
Investments	34,077.44	34,347.82
Loans	603.32	569.62
Other financial assets	65.30	57.00
Deferred tax assets (net)	835.04	761.19
Income tax assets (net)	9.93	9.93
Other non-current assets	100.99	100.99
Total non-current assets	36,224.91	36,488.09
Current assets		
Inventories	2,168.94	2,620.19
Financial assets		
Trade receivables	1,450.48	1,110.79
Cash and cash equivalents	219.83	1,770.00
Bank balances other than cash and cash equivalents	372.82	376.32
Other financial assets (Refer note 5)	1,657.44	39.06
Other current assets	749.61	1,232.49
Total current assets	6,619.12	7,148.85
TOTAL ASSETS	42,844.03	43,636.94
EQUITY AND LIABILITIES		
Equity		
Equity share capital	3,260.93	3,260.93
Other equity	3,459.58	2,476.20
Total equity	6,720.51	5,737.13
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	11,339.39	10,670.65
Lease liabilities	117.50	175.53
Other financial liabilities	802.47	766.67
Provisions	198.09	156.64
Other liabilities	5,187.34	5,318.38
Total non-current liabilities	17,644.79	17,087.87
Current Liabilities		
Financial liabilities		
Borrowings	9,237.29	9,108.38
Lease liabilities	163.30	223.29
Trade payables		
outstanding dues of micro and small enterprises	601.37	795.69
outstanding dues of creditors other than micro and small enterprises	613.25	257.75
Other financial liabilities	2,704.72	2,832.05
Other current liabilities	4,508.38	6,717.65
Provisions	46.93	35.39
Current tax liabilities (net)	603.49	841.74
Total current liabilities	18,478.73	20,811.94
Total liabilities	36,123.52	37,899.81
TOTAL EQUITY AND LIABILITIES	42,844.03	43,636.94



15



Zee Learn Limited

CIN : L80301MH2010PLC198405

Regd Office :- Continental Bldg., 135, Dr. Annie Besant Road,
Worli, Mumbai 400 018

Website: www.zeelearn.com ; email: investor_relations@zeelearn.com ; Tel : 91-22-71541895

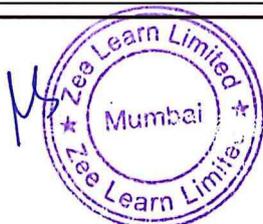
Standalone Statement of Cash Flows for the half year ended 30 September 2023

(₹ Lakhs)

	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)
A. Cash flow from operating activities		
Net profit / (loss) before tax after exceptional items	1,430.61	3,028.31
Adjustments for :		
Depreciation and amortisation expense	191.33	221.13
Liabilities no longer required / excess provision written back	(203.16)	(36.18)
Share based payment expense	6.68	5.53
Loss on sale / discard of property, plant and equipment / intangible assets (net)	-	5.03
Fair value loss on financial instrument at fair value through profit or loss	271.53	-
Interest expense	1,059.57	1,297.03
Allowances for credit losses	283.54	35.00
Gain on derecognition of right-of-use of assets	-	(11.43)
Unwinding of discount on security deposits / Financial guarantee obligation	(132.40)	(132.11)
Interest income	(63.17)	(708.41)
Operating profit before working capital changes	2,844.53	3,703.90
Changes in working capital :		
(Increase) / Decrease in inventories	451.25	(434.72)
(Increase) / Decrease in trade and other receivables	49.33	(1,405.18)
Increase / (Decrease) in trade and other payables	(2,272.94)	(702.16)
Cash generated from operations	1,072.17	1,161.84
Income tax paid (net)	(783.39)	(685.69)
Net cash flow from operating activities (A)	288.78	476.15
B. Cash flow from investing activities		
Purchase of property, plant and equipment / intangible assets / intangible assets under development	(82.96)	(101.72)
Sale of property, plant and equipment / intangible assets	-	2.92
Decrease/(Increase) in other bank balances	(2.11)	(335.78)
Loans given to subsidiary companies	-	(459.22)
Receipt of loans given to subsidiary companies	-	1.75
Loans given to others	-	(59.00)
Dividend received	-	(0.01)
Interest received	13.78	4.70
Net cash flow used in investing activities (B)	(71.29)	(946.36)
C. Cash flow from financing activities		
Repayment of non-current borrowings	-	(800.00)
Proceeds from current borrowings	189.63	-
Repayment of current borrowings	(75.00)	(100.00)
Payment towards corporate guarantee settlement (Refer note 5)	(1,600.00)	-
Payment of lease liabilities (including interest)	(135.47)	(154.39)
Interest paid	(146.82)	(294.67)
Net cash flow used in financing activities (C)	(1,767.66)	(1,349.06)
Net cash flow during the year (A+B+C)	(1,550.17)	(1,819.27)
Cash and cash equivalents at the beginning of the period	1,770.00	1,923.54
Net cash and cash equivalents at the end of the period	219.83	104.27
Add : Balances earmarked	372.82	432.77
Cash and bank balances at the end of the period	592.65	537.04

Notes:

1. Component of cash and bank balances as follows	30 September 2023	30 September 2022
Cash and cash equivalents	219.83	104.27
Bank Balances other than cash and cash equivalents	372.82	432.77
Total	592.65	537.04



Notes to the Statement of Standalone Unaudited financial results for the quarter and half year ended 30 September 2023:

- 1 The above Standalone Unaudited Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 07 November 2023.
- 2 The above Standalone Unaudited Financial Results have been prepared in accordance with the applicable Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India.
- 3 The Company has investments in its wholly owned subsidiary viz Digital Ventures Private Limited (DVPL) in the form of Equity shares, Convertible Debentures and Preference Shares (including redemption premium) of Rs. 45,002.24 lakhs, loan and receivables of Rs. 11,377.05 lakhs aggregating to Rs. 56,379.29 lakhs as at 30 September 2023. There are ongoing proceedings against DVPL w.r.t Corporate Insolvency Resolution Process (CIRP) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) before the Hon'ble National Company Law Tribunal (NCLT) Mumbai (Refer Note 5 below) and the Company provided Rs. 21,857.05 lakhs towards impairment loss till 30 September 2023. Out of the total impairment loss of Rs. 21,857.05 lakhs, the Company out of abundant caution and prudent accounting practices, had provided Rs. 10,855 lakhs towards impairment of its investments (including redemption premium) in DVPL and the same was disclosed as an "Exceptional item" in the standalone financials results for the quarter and year ended 31 March 2023. The Company considers the balance amount of Rs 34,522.24 lakhs as good and recoverable as at 30 September 2023.
- 4 The Company has investment in equity shares of its subsidiary company viz MT Educare Limited (MTEL or Corporate Debtor) which is carried at cost of Rs. 27,812.22 lakhs. During the previous year, the Hon'ble National Company Law Tribunal (NCLT) Mumbai, had admitted the application filed by an Operational Creditor and ordered the commencement of Corporate Insolvency Resolution Process (CIRP) of MTEL under Section 9 of the Insolvency and Bankruptcy Code, 2016 (IBC). The Hon'ble NCLT also appointed an Interim Resolution Professional (IRP) for the Corporate Debtor. However, during the previous year, an appeal was filed before Hon'ble National Company Law Appellate Tribunal ("NCLAT") and NCLAT vide its order dated 6 January 2023 had stayed the constitution of Committee of Creditors ("CoC"). There has been continuation of stay on constitution of CoC by the Hon'ble NCLAT from time to time till 2 June 2023. Final hearing concluded on 2 June 2023 and matter is reserved to order.
Finally, Hon'ble NCLAT order was pronounced on 18 August 2023 whereby Appeal filed by Director Mr. Vipin Choudhry was dismissed. The said order dated 18 August 2023 was served upon IRP on 21 August 2023. IRP immediately constituted Committee of Creditors on 21 August 2023. The 1st CoC meeting was held on 28 August 2023 and thereafter three more meetings were held. CoC have decided to appoint new Resolution Professional u/s 22(3)(b) of IBC 2016 but as of date the said appointment is pending from CoC. In accordance with regulation 17(3) of CIRP of IBBI, IRP is performing the functions of Resolution Professional (RP) till the confirmation of appointment of RP is done by Hon'ble NCLT upon application of CoC in this regard.
Considering the above ongoing CIRP proceedings and appointment of IRP, the Company, out of abundant caution and prudent accounting practices, had provided Rs. 27,812.22 lakhs towards impairment of its investments in MTEL and the same was shown as an Exceptional Item during the year ended 31 March 2023.
- 5 Yes Bank Limited (Yes Bank) vide its notices dated 2 August 2021 and 9 August 2021 (received on 10 August 2021) addressed to the Company and its subsidiary, viz Digital Ventures Private Limited (DVPL) respectively, had invoked the Corporate Guarantee upon non-repayment of credit facilities (during COVID-19 pandemic) availed by four trusts/entity, and called upon the Company and DVPL to make payment of an amount of Rs. 44,962.56 lakhs (including interest and other charges upto 31 July 2021). Also, the Company and DVPL received notices dated 22 April 2022 and 01 December 2022 respectively, regarding filing of petitions by Yes Bank under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) to initiate Corporate Insolvency Resolution Process (CIRP) of the Company and DVPL (as corporate guarantors) before the Hon'ble National Company Law Tribunal (NCLT), Mumbai. Further, Yes Bank vide its letters dated 30 December 2022 has informed the Company and DVPL that it has assigned and transferred the above credit facilities to J.C. Flowers Asset Reconstructions Private Limited (J.C. Flowers) and the amount outstanding therein as at 30 November 2022 is Rs. 52,254.63 lakhs (including interest and penal charges). Thereafter on 10 February 2023, the Hon'ble NCLT, Mumbai admitted the application filed by Yes Bank against the Company and ordered the commencement of CIRP under the IBC. However, an appeal was filed before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by the Company and NCLAT vide its order dated 16 February 2023 set aside the impugned order dated 10 February 2023 passed by the NCLT and disposed off the appeal in accordance with law. Subsequently, J.C. Flowers filed Special Leave Petition (SLP) in the Hon'ble Supreme Court for setting aside of the final order dated 16 February 2023 passed by the NCLAT. On 29 March 2023, the Hon'ble Supreme court allowed the SLP and stayed the further proceedings of NCLT. The matter is currently pending for hearing before the Hon'ble Supreme Court.
During the quarter ended 30 September 2023, the Company, DVPL along with four trusts/entity have entered into settlement agreement with J.C Flowers on August 7, 2023 to settle obligations with respect to loans borrowed by the said four trusts/entity and the company has made payment of Rs. 1,600 lakhs towards the settlement and the same has been shown as recoverable as at 30 September 2023 under "other current financial assets". Till the time the settlement is in progress and the loans are duly settled by the respective borrowers and Company/DVPL (jointly/severally) in terms of the settlement agreement and the legal proceedings initiated in connection therewith are either settled/withdrawn, the matters covered under the aforesaid legal proceedings shall remain sub-judice.
Since the matter continue to remain sub-judice and the Company/DVPL alongwith four trusts/entity are progressing towards the settlement, the Company is of the opinion that any liability devolving on the company will be crystalized once all the payments under the settlement agreement are duly made. The Company is taking necessary steps to assess the actual liability and recoverability of amounts paid at the end of tenure of settlement agreement. Hence the company is of the opinion that no liability is required to be provided at this stage.
- 6 During the financial year 2021-22, one of the subsidiaries viz Digital Ventures Private Limited (DVPL) had defaulted in repayment of loans availed from two Lenders. In this regard, one of the Lenders vide its notice dated 14 February 2022 issued to the Company, had invoked the Corporate Guarantee issued by the Company on behalf of DVPL and called upon the Company to make payment of an amount of Rs. 9,162 lakhs outstanding as at 30 June 2021 with further interest w.e.f. 01 July 2021 as per the terms of sanction letters. Further, during the previous financial year 2022-23, the Company had also received notice from the other lender invoking Corporate Guarantee issued by the Company on behalf of DVPL and called upon the Company to make payment of an amount of Rs. 2,299.59 lakhs outstanding as at 30 June 2021.
The Covid-19 pandemic had caused disruption in the activities especially in the education sector and there were restrictions on carrying out the operations of schools under the brick and mortar model. However, the schools have opened up and students are being enrolled in the schools. Further, DVPL has started making repayment of its loan through an agreed mechanism as per discussions with the Lenders. In view of above, the Company is of the opinion that no liability is required to be provided as at 30 September 2023.
- 7 The Covid-19 pandemic had caused an adverse impact on the business operations of the Company and its financial health. The Company also defaulted in repayment of its debt obligations. Further, the Company and its subsidiary company had received notices from Yes Bank and other lenders for invocation of corporate guarantees and there are Corporate Insolvency Resolution Process (CIRP) proceedings filed against the Company and its subsidiary as corporate guarantors (refer note 5 and 6 above). These events indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the management has re-evaluated and concluded that the Company will have sufficient liquidity to continue its operations in an uninterrupted manner, demand for its product portfolio and improvement in projected cash flows through normal operations and timely monetization of assets. In view of above and further based on business potential and the mitigating steps being taken by the Company, these standalone unaudited financial results have been prepared on going concern basis.
- 8 The Company had taken term loan of Rs. 3,500.00 lakhs and overdraft facility of Rs. 1,900.00 lakhs vide credit facility sanction letter dated 18 July 2017 (together referred as credit facilities) from Abu Dhabi Commercial Bank (ADCB). Further, ADCB assigned the said credit facilities to DCB Bank Limited (DCB) as per the Deed of Assignment and Subrogation Agreement both dated 31 March 2020 with same terms and conditions as per the original sanction letter. Furthermore, during the earlier years, the Company defaulted the repayment of the credit facilities including interest to DCB. However, during the previous year, DCB issued No Dues Certificate to the Company and also satisfied the charges on the said outstanding credit facilities. In view of above, the said credit facilities were classified as Unsecured as at 31 March 2023 and had provided interest (including penal interest) on outstanding term loan and overdraft facility till 31 March 2023.
During the quarter ended 30 September 2023, the Company has taken an opinion on the above matter and considering the same the Company is of the view that no interest provision on the said credit facilities is required to be made till the time the company can ascertain any liability arising out of Deed of Assignment and Subrogation Agreement. In view of above, the Company has not provided any interest on the said credit facilities w.e.f. 01 April 2023 and continued to show the outstanding amounts in respect of said credit facilities as at 30 September 2023 as an Unsecured current borrowings.



Anish Shah
Anish Shah
Chief Financial Officer

For and on behalf of the Board of Directors

Manish Rastogi
Manish Rastogi
CEO & Whole-time Director
DIN : 10056027

FORD RHODES PARKS & CO LLP

CHARTERED ACCOUNTANTS

(Formerly Ford, Rhodes, Parks & Co.)

SAI COMMERCIAL BUILDING
312/313, 3RD FLOOR,
BKS DEVSHI MARG,
GOVANDI (EAST),
MUMBAI - 400 088.

TELEPHONE : (91) 22 67979819
: (91) 22 67979820
FAX : (91) 22 67979821
EMAIL : frptax@gmail.com

Independent Auditor's Review Report

To,
The Board of Directors,
Zee Learn Limited

Re: Limited Review Report for the quarter and half year ended 30 September 2023

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of **Zee Learn Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter and half year ended 30 September 2023 ("the Statement") being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of Companies Act, 2013 read with rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The Statement includes the results of the following entities:

Holding Company – Zee Learn Limited

Direct Subsidiaries

- i. Liberium Global Resources Private Limited
- ii. Digital Ventures Private Limited
- iii. Academia Edificio Private Limited
- iv. MT Educare Limited (Refer note 8 below)



A Partnership Firm with Registration. No: BA61078 converted into a Limited Liability Partnership (LLP) namely
FORD RHODES PARKS & CO LLP w.e.f August 4, 2015 - LLP Identification No. AAE4990
Also at: **BENGALURU - CHENNAI - KOLKATA - HYDERABAD**

Indirect Subsidiaries (held through MT Educare Limited)

- i. MT Educational Services Private Limited
- ii. Lakshya Forum for Competitions Private Limited
- iii. Chitale's Personalised Learning Private Limited
- iv. Sri Gayatri Educational Services Private Limited
- v. Robomate Edutech Private Limited
- vi. Letspaper Technologies Private Limited
- vii. Labh Ventures India Private Limited

5. Basis of qualified conclusion

- a) As stated in note 7 to the Statement, Yes Bank Limited (Yes Bank) had invoked the Corporate Guarantee issued by the Holding Company and its subsidiary i.e. Digital Ventures Private Limited (DVPL) upon non-repayment of credit facilities availed by Four Trusts/entity, and called upon the Holding Company and DVPL to make payment of an amount of Rs. 44,962.56 lakhs (including interest and other charges upto 31 July 2021). As further stated in the note, the Holding Company and DVPL have received notices from Yes Bank regarding filing of petitions under section 7 of the Insolvency and Bankruptcy Code, 2016 to initiate Corporate Insolvency Resolution Process (CIRP) of the Holding Company and DVPL (as corporator guarantors) before the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai. Also as stated in the said note, Yes Bank vide its letters dated 30 December 2022 has informed the Holding Company and DVPL that it has assigned and transferred the above credit facilities to J.C. Flowers Asset Reconstructions Private Limited (J.C. Flowers) and the amount outstanding therein as at 30 November 2022 is Rs. 52,254.63 lakhs (including interest and penal charges). As further explained in the said note, on 10 February 2023 the Hon'ble NCLT admitted the application filed by Yes Bank against the Holding Company and DVPL and ordered the commencement of the CIRP under the IBC. However, an appeal was filed before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by the Holding Company and NCLAT vide its order dated 16 February 2023 set aside the impugned order dated 10 February 2023 passed by the NCLT and disposed off the appeal in accordance with law. As further explained in the said note, subsequently J.C. Flowers filed Special Leave Petition (SLP) in the Hon'ble Supreme Court for setting aside of the final order dated 16 February 2023 passed by NCLAT. On 29 March 2023, the Hon'ble Supreme Court allowed the SLP and stayed the further proceedings of NCLT and the matter is currently pending for hearing before the Hon'ble Supreme Court.

As further stated in the said note, during the quarter ended 30 September 2023, the Holding Company, DVPL along with four trusts/entity have entered into settlement agreement with J.C. Flowers on 7 August 2023 to settle obligations w.r.t loans borrowed by the said four trusts/entity and the Holding Company has made payment of Rs. 1,600 lakhs towards the settlement and the same has been shown as recoverable as at 30 September 2023 under other current financial assets. Till the time the settlement is in progress and the obligations w.r.t. loans are duly settled by the respective borrowers, Holding Company and DVPL (Jointly/severally) in terms of the settlement agreement and the legal proceedings initiated in connection therewith are either settled/withdrawn, the matters covered under the aforesaid legal proceedings shall remain sub-judice. Since the matter continue to remain sub-judice and the Holding Company/DVPL along with four trusts/entity are progressing towards the settlement, the Holding Company is of the opinion that any liability devolving on the Holding Company will be crystalized once all payments under the settlement agreement are duly made. Further the Holding Company is taking necessary steps to assess the actual liability and recoverability of the amounts paid at the end of tenure of settlement agreement. In view



FORD RHODES PARKS & CO LLP

of above, the Holding Company is of the opinion that no liability is required to be provided at this stage

Despite the above invocation of Corporate Guarantee and signing of settlement agreement, the Holding Company has not provided for liability against the invocation of the Corporate Guarantee as at 30 September 2023 as required by the applicable Indian Accounting Standard (Ind AS). Also the Holding Company has not assessed the impairment of the recoverability of payment Rs. 1,600 lakhs made towards the settlement. Further, in the absence of sufficient and appropriate evidence to corroborate the Holding Company's management's conclusion of non-recognition of the liability towards Corporate Guarantee invocation and assessment of impairment of payment of Rs. 1,600 lakhs made towards settlement, we are unable to comment upon adjustments, if any, required on the Statement.

- b) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who reviewed the unaudited consolidated financial results of MTEL reported that MTEL Group has recognized net deferred tax assets of Rs. 7,562.25 lakhs considering sufficient taxable income would be available in future years against which such deferred tax assets can be utilized. In the opinion of the other auditor, due to losses during the current quarter and earlier years and pendency of Corporate Insolvency Resolution Process ("CIRP"), it is uncertain that the MTEL Group would achieve sufficient taxable income in future against which deferred tax assets can be utilized. Accordingly, the other auditor is unable to obtain sufficient and appropriate audit evidence to corroborate the MTEL Management's / Resolution Professional's (RP) assessment of recognition of deferred tax assets as at 30 September 2023. Had the deferred tax assets not been recognized, the net loss of the Group for the quarter and half year ended 30 September 2023 would have been higher by Rs. 7,562.25 lakhs and Net worth of the Group as at 30 September 2023 would have been lower by Rs. 7,562.25 lakhs. The other auditor's Opinion on the audited consolidated financial results of MTEL for the year ended 31 March 2023 was also modified in respect of this matter.
- c) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who reviewed the unaudited consolidated financial results of MTEL reported that MTEL Group has outstanding loans, trade receivables and other receivables of Rs. 8,784.08 lakhs (net of provisions on consolidated basis) as at 30 September 2023, which are overdue / rescheduled. The management / RP of MTEL envisages the same to be good and recoverable. However, owing to the aforementioned overdues / reschedulement, the other auditor is unable to comment upon adjustments, if any, that may be required to the carrying value of the aforesaid outstanding receivables, and the consequential impact on the unaudited consolidated financial results of MTEL. The other auditor's Opinion on the audited consolidated financial results of MTEL for the year ended 31 March 2023 was also modified in respect of this matter.
- d) Attention is invited to Note 13 of the Statement, wherein the other auditor who reviewed the unaudited consolidated financial results of MTEL reported admission of MTEL into CIRP, and pending determination of obligations and liabilities with regard to various claims submitted by the operational/financial/other creditors and employees including claims for guarantee obligation and interest payable on loans, the other auditor is unable to comment on adjustments, if any, pending reconciliation and determination of final obligation. The other auditor's Opinion on the audited consolidated financial results of MTEL for the year ended 31 March 2023 was also modified in respect of this matter.



FORD RHODES PARKS & CO LLP

- e) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who reviewed the unaudited consolidated financial results of MTEL reported that MTEL Group has not provided for interest expense on borrowings of Rs. 128.95 lakhs and Rs. 256.50 lakhs for the quarter and half year ended 30 September 2023 respectively (cumulatively Rs. 1,457.12 lakhs upto 30 September 2023) calculated based on the basic rate of interest as per the terms of the loan and claims received. Had the interest expenses excluding penal interest, if any, been recognized, the net loss of the Group for the quarter and half year ended 30 September 2023 would have been higher by Rs. 128.95 lakhs and Rs. 256.50 lakhs respectively excluding penal interest, if any, and the Net worth of the Group as at 30 September 2023 would have been lower by Rs. 1,457.12 lakhs. Non-provision of interest is not in compliance with Ind AS 23 "Borrowing Costs". The other auditor's Opinion on the audited consolidated financial results of MTEL for the year ended 31 March 2023 was also modified in respect of this matter.
- f) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who reviewed the unaudited consolidated financial results of MTEL reported that in the absence of comprehensive review of carrying amount of certain assets (loans and advances, balances with government authorities, deposits, trade and other receivables) and liabilities, the other auditor is unable to comment upon adjustments, if any, that may be required to the carrying amount of such assets and liabilities and consequential impact, if any, on the reported net loss of MTEL Group for the quarter and half year ended 30 September 2023. Non-determination of fair value of financial assets and liabilities and impairment of carrying amount of other assets and liabilities are not in compliance with Ind AS 109 "Financial Instruments" and Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". The other auditor's Opinion on the audited consolidated financial results of MTEL for the year ended 31 March 2023 was also modified in respect of this matter.
- g) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who reviewed the unaudited consolidated financial results of MTEL reported that the MTEL Group has not provided interest income of Rs. 190.01 lakhs and Rs. 380.02 lakhs for the quarter and half year ended 30 September 2023 respectively, pending recoveries of long outstanding loans (included in c above). Had the interest income been recognized, the net loss of the Group for the quarter and half year ended 30 September 2023 would have been lower by Rs.190.01 lakhs and Rs. 380.02 lakhs respectively and the Net worth of the Group as at 30 September 2023 would have been higher by Rs. 380.02 lakhs. The other auditor's conclusion on the unaudited consolidated financial results of MTEL for the quarter ended 30 June 2023 was also modified in respect of this matter.

6. Qualified conclusion

Based on our review conducted and based on the consideration of the review reports of the other auditors referred to in Paragraph 9 below, except for the effects / possible effects of the matters described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



7. Material uncertainty relating to Going Concern

As stated in Note 12 to the Statement, the Covid-19 pandemic had caused an adverse impact on the business operations of the Group and its financial health. Also, the Holding Company and certain subsidiary companies defaulted in repayments of their debt obligations. Further, as stated in the said note, the Holding Company and its subsidiary company had received notices from the lenders for invocation of Corporate Guarantees and there are Corporate Insolvency Resolution Process (CIRP) proceedings filed against the Holding Company and its subsidiaries. Further, as stated in the said note, the Hon'ble NCLT had also admitted the application and ordered the commencement of CIRP proceedings under the Insolvency and Bankruptcy Code 2016 (IBC) against one of the Subsidiaries viz MT Educare Limited (Refer note 13 of the Statement). These events indicate the existence of material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. However, considering the management's reevaluation and conclusion that the Group will have sufficient liquidity to continue its operations, demand for its product portfolio, improvement in projected cashflows and further based on business potential and the mitigating steps taken by the Group, the Statement has been prepared on going concern basis.

Our conclusion on the Statement is not modified in respect of this matter.

8. Emphasis of Matter

As stated in Note 13 to the Statement, upon receipt of Hon'ble NCLAT's order, the Interim Resolution Professional (IRP) of one of the subsidiaries viz MT Educare Limited (MTEL) has constituted Committee of Creditors (CoC) on 21 August 2023. As further stated in the said Note, the management of the Holding Company believes that despite ongoing Corporate Insolvency Resolution Process (CIRP) proceedings and constitution of CoC under the Insolvency and Bankruptcy Code, 2016 (IBC), the Holding Company/Promoter has certain rights to ensure revival of MTEL as per the intent of the IBC. As further stated in the said note, the Holding Company will evaluate all the options available under the IBC and take necessary steps for the revival of MTEL and accordingly, the Holding Company is of the opinion that the financial results of MTEL should be continued to be consolidated until all such rights are available to the Holding Company for revival of MTEL. Therefore, the Holding Company has consolidated the unaudited consolidated financial results of MTEL for the quarter and half year ended 30 September 2023 in the Statement.

Our conclusion on the Statement is not modified in respect of this matter.

9. Other matters

- a) We did not review the interim financial results of ten subsidiaries, whose interim financial results (before consolidation adjustments) reflect total assets of Rs. 1,01,298.24 lakhs as at September 2023, total revenues of Rs. 4,068.04 lakhs and Rs. 7,981.43 lakhs, total net loss after tax of Rs. 2,026.53 lakhs and Rs. 2,721.44 lakhs and total comprehensive loss of Rs. 2,006.97 lakhs and Rs. 2,701.73 lakhs for the quarter and half year ended 30 September 2023 respectively and net cash outflow of Rs. 663.21 lakhs for the half year ended 30 September 2023 as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these ten subsidiaries is based solely on the reports of other auditors.

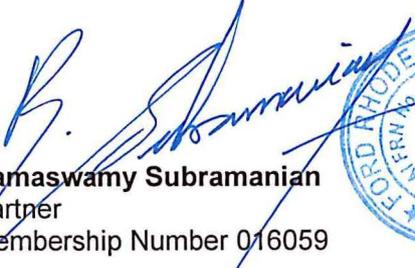


FORD RHODES PARKS & CO LLP

- b) The Statement includes interim financial result of one subsidiary, whose interim financial result reflect total assets of Rs. 0.88 lakhs as at 30 September 2023, net loss after tax and total comprehensive loss of Rs. 0.57 lakhs and Rs. 1.10 lakhs for the quarter and half year ended 30 September 2023 respectively which have not been reviewed by us. The interim financial result of such subsidiary has been furnished to us by the management and our conclusion on the Statement in so far as related to the aforesaid subsidiary, is based solely on the management certified financial result.

Our conclusion on the Statement is not modified in respect of the above matters.

For **Ford Rhodes Parks & Co. LLP**
Chartered Accountants
Firm Registration Number: 102860W/W100089


Ramaswamy Subramanian
Partner
Membership Number 016059

Mumbai, 07 November 2023

UDIN: 23016059BGYZLI9249





Zee Learn Limited

CIN : L80301MH2010PLC198405

Regd Office :- Continental Bldg., 135, Dr. Annie Besant Road, Worli, Mumbai 400 018

Website: www.zeelearn.com ; email: investor_relations@zeelearn.com ; Tel : 91-22-71541895

Statement of Consolidated Unaudited Financial Results for the quarter and half year ended 30 September 2023

(₹ in lakhs except EPS data)

	Quarter ended			Half year ended		Year ended
	30 September 2023 (Unaudited)	30 June 2023 (Unaudited)	30 September 2022 (Unaudited)	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)	31 March 2023 (Audited)
1 Income						
Revenue from operations	6,643.86	10,562.64	7,249.13	17,206.50	15,841.10	32,417.07
Other income	923.04	1,066.43	302.71	1,989.47	818.25	2,024.18
Total income	7,566.90	11,629.07	7,551.84	19,195.97	16,659.35	34,441.25
2 Expenses						
Purchase of stock-in-trade	583.76	2,125.73	1,088.58	2,709.49	2,406.95	7,805.11
Change in inventories of stock-in-trade	257.12	194.13	(242.98)	451.25	(434.72)	(2,127.48)
Operational cost	1,055.46	1,050.86	949.17	2,106.32	2,181.21	4,109.37
Employee benefits expense	2,381.81	2,507.26	2,590.95	4,889.07	5,160.17	10,382.10
Finance costs	894.80	1,180.82	1,068.25	2,075.62	2,122.09	4,355.15
Depreciation and amortisation expense	659.90	683.06	758.05	1,342.96	1,535.21	3,209.14
Selling and marketing expenses	561.07	1,351.01	470.84	1,912.08	910.65	2,613.36
Other expenses	1,463.10	1,409.51	649.18	2,872.61	2,074.20	7,107.94
Total expenses	7,857.02	10,502.38	7,332.04	18,359.40	15,955.76	37,454.69
3 Profit/(Loss) before tax (1-2)	(290.12)	1,126.69	219.80	836.57	703.59	(3,013.44)
4 Less: Exceptional items (Refer Note 4, 5 and 6 below)	1,451.06	-	-	1,451.06	-	42,178.64
5 Profit/(Loss) before tax after exceptional items (3-4)	(1,741.18)	1,126.69	219.80	(614.49)	703.59	(45,192.08)
6 Tax expense						
Current tax - current year	39.97	534.13	292.87	574.10	871.74	1,324.61
- earlier year	-	-	-	-	-	70.77
Deferred tax	49.60	(63.72)	(55.29)	(14.12)	(105.72)	(428.60)
Total tax expense	89.57	470.41	237.58	559.98	766.02	966.78
7 Net Profit / (Loss) for the period/year after tax (5-6)	(1,830.75)	656.28	(17.78)	(1,174.47)	(62.43)	(46,158.86)
8 Other comprehensive income / (loss) (including tax effect)						
(i) Items that will not be reclassified to statements of profit and loss	2.47	30.21	(0.65)	32.68	10.25	0.91
(ii) Items that will be reclassified to statements of profit and loss	-	-	-	-	-	-
Other comprehensive income (i+ii)	2.47	30.21	(0.65)	32.68	10.25	0.91
9 Total comprehensive income/(loss) for the period/year (7+8)	(1,828.28)	686.49	(18.43)	(1,141.79)	(52.18)	(46,157.95)
10 Profit/(Loss) for the period attributable to :						
Equity holders of the parent	(1,620.83)	848.16	216.06	(772.67)	256.21	(44,342.47)
Non-controlling interest	(209.92)	(191.88)	(233.84)	(401.80)	(318.64)	(1,816.39)
11 Total comprehensive income /(loss) attributable to :						
Equity holders of the parent	(1,626.36)	878.36	216.38	(748.00)	266.73	(44,341.60)
Non-controlling interest	(201.92)	(191.87)	(234.81)	(393.79)	(318.91)	(1,816.35)
12 Paid up equity share capital (face value ₹ 1 per share)	3,260.93	3,260.93	3,260.93	3,260.93	3,260.93	3,260.93
13 Other equity						(1,337.09)
Earnings per share (Not annualised for the interim period):						
- Basic (₹)	(0.50)	0.26	0.07	(0.24)	0.08	(13.60)
- Diluted (₹)	(0.50)	0.26	0.07	(0.24)	0.08	(13.60)

NS





Zee Learn Limited

CIN : L80301MH2010PLC198405

Regd Office :- Continental Bldg., 135, Dr. Annie Besant Road, Worli, Mumbai 400 018

Website: www.zeelearn.com ; email: investor_relations@zeelearn.com ; Tel : 91-22-71541895

Consolidated Unaudited Statement of Assets and Liabilities as at 30 September 2023

(₹ in lakhs)

	As at 30 September 2023 (Unaudited)	As at 31 March 2023 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	2,499.79	2,553.57
Right-of-use assets	4,051.75	3,687.83
Capital work-in-progress	36.80	21.83
Investment property	22,035.01	22,570.41
Investment property under development	32,575.28	32,144.88
Other intangible assets	3,832.27	3,977.25
Intangible assets under development	5,259.60	5,250.60
Financial assets		
Investments	0.35	0.36
Loans	3,311.62	3,008.25
Other financial assets	430.39	381.37
Deferred tax assets (net)	8,387.23	8,304.68
Income tax assets (net)	2,936.58	2,901.09
Other non-current assets	106.68	1,557.74
Total non-current assets	85,463.35	86,359.86
Current assets		
Inventories	2,326.14	2,620.19
Financial assets		
Trade receivables	3,057.55	2,637.53
Cash and cash equivalents	357.31	2,570.86
Bank balances other than cash and cash equivalents	934.14	927.66
Loans	4,276.38	3,755.87
Other financial assets	3,428.45	1,796.85
Other current assets	1,540.87	1,709.37
Total current assets	15,920.84	16,018.33
TOTAL ASSETS	1,01,384.19	1,02,378.19
EQUITY AND LIABILITIES		
Equity		
Equity share capital	3,260.93	3,260.93
Other equity	(2,078.40)	(1,337.09)
Equity attributable to equity holders of the parent	1,182.53	1,923.84
Non controlling interest	11,759.35	12,153.15
Total equity	12,941.88	14,076.99
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	21,672.31	24,832.83
Lease liabilities	4,319.45	3,801.72
Other financial liabilities	2,079.70	1,678.35
Deferred tax liabilities	238.93	159.48
Provisions	322.30	308.57
Other liabilities	14,407.51	14,556.69
Total non-current liabilities	43,040.20	45,337.64
Current Liabilities		
Financial liabilities		
Borrowings	22,043.43	17,268.77
Lease liabilities	291.69	370.99
Trade Payables		
outstanding dues of micro and small enterprises	1,242.43	1,604.50
outstanding dues of creditors other than micro and small enterprises	5,691.34	5,415.70
Other financial liabilities	7,245.79	6,731.35
Other current liabilities	7,861.24	10,308.30
Provisions	393.74	403.88
Current tax liabilities (net)	632.45	860.07
Total current liabilities	45,402.11	42,963.56
Total liabilities	88,442.31	88,301.20
TOTAL EQUITY AND LIABILITIES	1,01,384.19	1,02,378.19



**Zee Learn Limited**

CIN : L80301MH2010PLC198405

Regd Office :- Continental Bldg., 135, Dr. Annie Besant Road,
Worli, Mumbai 400 018

Website: www.zeelearn.com ; email: investor_relations@zeelearn.com ; Tel : 91-22-71541895

Consolidated Statement of Cash Flows for the half year ended 30 September 2023

(₹ Lakhs)

	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)
A. Cash flow from operating activities		
Net profit / (loss) before tax and after exceptional items	(614.49)	703.59
Adjustments for :		
Depreciation and amortisation expense	1,342.96	1,535.21
Liabilities no longer required / excess provision written back	(292.06)	(208.27)
Share based payment expenses	6.68	5.53
Loss on sale / discard of property, plant and equipment / intangible assets (net)	-	4.97
Gain on derecognition of right-of-use assets	-	(11.43)
Exceptional items (Refer note 6)	1,451.06	-
Interest expense	2,303.96	2,013.16
Allowances for credit losses	1,188.43	42.78
Unwinding of discount on security deposits / Financial guarantee obligation	(132.40)	(132.11)
Interest income	(1,564.41)	(516.92)
Operating profit before working capital changes	3,689.73	3,436.51
Changes in working capital :		
(Increase) / Decrease in inventories	294.06	(434.72)
(Increase) / Decrease in trade and other receivables	(127.93)	(124.45)
Increase / (Decrease) in trade and other payables	(2,042.22)	(745.31)
Cash generated from operations	1,813.64	2,132.03
Income tax paid (net)	(837.36)	(759.47)
Net cash flow from operating activities (A)	976.28	1,372.56
B. Cash flow from investing activities		
Purchase of property, plant and equipment / intangible assets / investment property / capital work-in-progress / intangible assets under development / investment property under development	(119.71)	(445.38)
Sale of property, plant and equipment / intangible assets	-	4.02
Decrease/(Increase) in other bank balances	(12.09)	(348.43)
Loans given to others	(897.81)	(611.49)
Loans repaid by others	283.99	435.28
Interest received	20.91	4.70
Net cash flow used in investing activities (B)	(724.71)	(961.30)
C. Cash flow from financing activities		
Proceeds from non-current borrowings	300.00	-
Repayment of non-current borrowings	(236.76)	(1,101.72)
Proceeds from current borrowings	189.63	99.65
Repayment of current borrowings	(84.62)	(211.81)
Payment towards corporate guarantee settlement (Refer note 7)	(1,600.00)	-
Payment of lease liabilities (including interest)	(883.09)	(856.96)
Interest paid	(150.28)	(362.85)
Net cash flow used in financing activities (C)	(2,465.12)	(2,433.69)
Net cash flow during the year (A+B+C)	(2,213.55)	(2,022.43)
Cash and cash equivalents at the beginning of the period	2,570.86	2,563.40
Net cash and cash equivalents at the end of the period	357.31	540.97
Add : Balances earmarked	934.14	973.17
Cash and bank balances at the end of the period	1,291.45	1,514.14

Notes:

1. Components of cash and bank balances is as follows	30 September 2023	30 September 2022
Cash and cash equivalents	357.31	540.97
Bank Balances other than cash and cash equivalents	934.14	973.17
Total	1,291.45	1,514.14



**Zee Learn Limited**

CIN : L80301MH2010PLC198405

Regd Office :- Continental Bldg., 135, Dr. Annie Besant Road,
Worli, Mumbai 400 018

Website: www.zeelearn.com ; email: investor_relations@zeelearn.com ; Tel : 91-22-71541895

Consolidated Unaudited Financial Results for the quarter and half year ended 30 September 2023**Annexure "Consolidated Segment Information"**

Segment Information as per Ind AS 108 "Operating Segments" has been presented on the basis of consolidated financial results with the primary segments being Educational Services and related activities, Construction and Leasing (for education), Training, Manpower and related activities.

There being no business outside India, the entire business is considered as a single geographic segment.

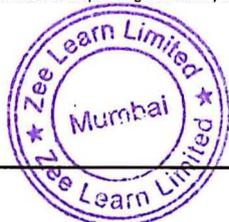
Primary Segment Disclosure - Business segment for the quarter and half year ended 30 September 2023

Particulars	(₹ in lakhs)					
	Quarter ended			Half year ended		Year ended
	30 September 2023 (Unaudited)	30 June 2023 (Unaudited)	30 September 2022 (Unaudited)	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)	31 March 2023 (Audited)
Segment revenue						
- Educational services and related activities	4,790.70	8,797.46	5,383.37	13,588.16	12,075.55	24,865.34
- Construction and leasing (for education)	301.87	300.62	301.87	602.49	602.49	1,203.74
- Training, manpower and related activities	1,587.65	1,499.76	1,669.95	3,087.41	3,318.68	6,613.60
Total segment revenue	6,680.22	10,597.84	7,355.19	17,278.06	15,996.72	32,682.68
Less: Inter segment revenue	36.36	35.20	106.06	71.56	155.62	265.61
Net sales / income from operation	6,643.86	10,562.64	7,249.13	17,206.50	15,841.10	32,417.07
Segment results (Profit before tax and interest from ordinary activities)						
- Educational services and related activities	(325.00)	1,284.88	1,029.53	959.88	2,615.01	(333.80)
- Construction and leasing (for education)	(14.11)	(15.98)	(15.21)	(30.09)	(540.29)	(103.24)
- Training, manpower and related activities	20.75	(27.82)	(28.98)	(7.07)	(67.29)	(245.44)
Total Segment results	(318.36)	1,241.08	985.34	922.72	2,007.43	(682.48)
Add/(less):						
Finance costs	(894.80)	(1,180.82)	(1,068.25)	(2,075.62)	(2,122.09)	(4,355.15)
Interest income/(reversal)	790.44	751.30	226.80	1,541.74	465.13	1,104.59
Exceptional items (Refer note 4, 5 and 6)	(1,451.06)	-	-	(1,451.06)	-	(42,178.64)
Other income	132.60	315.13	75.91	447.73	353.12	919.60
Total Profit/(loss) before tax from ordinary activities	(1,741.18)	1,126.69	219.80	(614.49)	703.59	(45,192.08)
Segment assets						
- Educational services and related activities	20,700.27	21,111.51	52,950.98	20,700.27	52,950.98	21,245.95
- Construction and leasing (for education)	66,205.56	67,445.93	77,870.57	66,205.56	77,870.57	67,507.21
- Training, manpower and related activities	2,592.32	2,283.27	2,070.44	2,592.32	2,070.44	2,158.30
- Unallocated	11,886.04	11,601.96	11,053.55	11,886.04	11,053.55	11,466.73
Total segment assets	1,01,384.19	1,02,442.67	1,43,945.54	1,01,384.19	1,43,945.54	1,02,378.19
Segment liabilities						
- Educational services and related activities	34,064.65	33,904.11	29,385.89	34,064.65	29,385.89	35,337.21
- Construction and leasing (for education)	12,422.86	12,438.54	12,457.27	12,422.86	12,457.27	12,779.57
- Training, manpower and related activities	1,354.99	1,121.42	906.67	1,354.99	906.67	975.65
- Unallocated	52,359.16	52,243.85	54,668.76	52,359.16	54,668.76	51,361.92
Total segment liabilities	1,00,201.66	99,707.92	97,418.59	1,00,201.66	97,418.59	1,00,454.35
Net Capital Employed	1,182.53	2,734.75	46,526.95	1,182.53	46,526.95	1,923.84



Notes to the Statement of Consolidated Unaudited financial results for the quarter and half year ended 30 September 2023 :

- The above Consolidated Unaudited Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 07 November 2023.
- The above Consolidated Unaudited Financial Results have been prepared in accordance with the applicable Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India.
- Consolidated Unaudited segment information is annexed in accordance with Ind AS 108 'Operating Segments'.
- In one of the subsidiaries viz Digital Ventures Private Limited (DVPL) there were Loans of Rs. 6,798.90 lakhs given to various trusts and receivables of Rs. 7,672.88 lakhs from various trusts, aggregating to Rs. 14,471.78 lakhs outstanding as at 31 March 2023. During the previous year, DVPL had provided for Rs. 10,855.00 lakhs towards impairment loss under the expected credit loss model against the said outstanding loans and receivables, and the said impairment loss was disclosed as an Exceptional item during the year ended 31 March 2023. The outstanding amount of such loans and receivables as at 30 September 2023 of Rs. 3,954.24 lakhs is considered as good and recoverable.
- The Unaudited consolidated financial statements as at 31 March 2023 included goodwill having carrying value of Rs 31,323.64 lakhs pertaining to acquisition of its subsidiary company viz MT Educare Ltd (MTEL). During the previous year, the Hon'ble National Company Law Tribunal (NCLT) Mumbai, had admitted the application filed by an Operational Creditor and ordered the commencement of Corporate Insolvency Resolution Process (CIRP) of MTEL under Section 9 of the Insolvency and Bankruptcy Code, 2016 (IBC). The NCLT has also appointed an Interim Resolution Professional (IRP) for the Corporate Debtor. However, during the previous year, an appeal was filed before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") and NCLAT vide its order dated 6 January 2023 stayed the constitution of Committee of Creditors ("CoC"). There has been continuation of stay on Constitution of CoC by the Hon'ble NCLAT from time to time till 2 June 2023. Final hearing concluded on 02 June 2023 and matter was reserved for order. Considering the above ongoing CIRP proceedings and appointment of IRP, the Company, out of abundant caution and prudent accounting practices, had provided Rs. 31,323.64 lakhs towards impairment of Goodwill and the same was shown as an Exceptional Item during the year ended 31 March 2023.
- In earlier years, one of the subsidiary Company viz Digital Ventures Private Limited (DVPL) had given advances and deposits to Pan India Infrastructure Private Limited (PIIPL) towards construction of schools and the outstanding balance of the same as at 30 September 2023 is Rs. 1,451.06 lakhs. There are ongoing proceedings against PIIPL w.r.t Corporate Insolvency Resolution Process (CIRP) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) before the Hon'ble National Company Law Tribunal (NCLT) Mumbai. Accordingly, the Group, out of abundant caution and prudent accounting practices, has provided Rs. 1,451.06 lakhs towards impairment of its advances and deposits and the same has been disclosed as an "Exceptional Item" during the quarter and half year ended 30 September 2023.
- Yes Bank Limited (Yes Bank) vide its notices dated 2 August 2021 and 9 August 2021 (received on 10 August 2021) addressed to the Holding Company and its subsidiary, viz Digital Ventures Private Limited (DVPL) respectively, had invoked the Corporate Guarantee upon non-repayment of credit facilities (during COVID-19 pandemic) availed by four trusts/entity, and called upon the Holding Company and DVPL to make payment of an amount of Rs. 44,962.56 lakhs (including interest and other charges upto 31 July 2021). Also, the Holding Company and DVPL received notices dated 22 April 2022 and 01 December 2022 respectively, regarding filing of petitions by Yes Bank under Section 7 of the Insolvency and Bankruptcy Code, 2016 to initiate Corporate Insolvency Resolution Process (CIRP) of the Holding Company and DVPL (as corporate guarantors) before the Hon'ble National Company Law Tribunal (NCLT), Mumbai. Further, Yes Bank vide its letters dated 30 December 2022 has informed the Holding Company and DVPL that it has assigned and transferred the above credit facilities to J.C. Flowers Asset Reconstructions Private Limited (J.C. Flowers) and the amount outstanding therein as at 30 November 2022 is Rs. 52,254.63 lakhs (including interest and penal charges). Thereafter on 10 February 2023, the Hon'ble NCLT, Mumbai admitted the application filed by Yes Bank against the Holding Company and ordered the commencement of CIRP under the IBC. However, an appeal was filed before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by the Holding Company and NCLAT vide its order dated 16 February 2023 set aside the impugned order dated 10 February 2023 passed by the NCLT and disposed off the appeal in accordance with law. Subsequently, J.C. Flowers filed Special Leave Petition (SLP) in the Hon'ble Supreme Court for setting aside of the final order dated 16 February 2023 passed by the NCLAT. On 29 March 2023, the Hon'ble Supreme court allowed the SLP and stayed the further proceedings of NCLT. The matter is currently pending for hearing before the Hon'ble Supreme Court. During the quarter ended 30 September 2023, the Holding Company, DVPL along with four trusts/entity have entered into settlement agreement with J.C Flowers on August 7, 2023 to settle obligations with respect to loans borrowed by the said four trusts/entity and the Holding company has made payment of Rs. 1,600 lakhs towards the settlement and the same has been shown as recoverable as at 30 September 2023 under "other current financial assets". Till the time the settlement is in progress and the loans are duly settled by the respective borrowers and Holding Company/DVPL (jointly/severally) in terms of the settlement agreement and the legal proceedings initiated in connection therewith are either settled/withdrawn, the matters covered under the aforesaid legal proceedings shall remain sub-judice. Since the matter continue to remain sub-judice and the Holding Company/DVPL alongwith four trusts/entity are progressing towards settlement, the Holding Company is of the opinion that any liability devolving on the Holding company will be crystallized once all the payments under the settlement agreement are duly made. The Holding Company is taking necessary steps to assess the actual liability and recoverability of amounts paid at the end of tenure of settlement agreement. Hence the Holding company is of the opinion that no liability is required to be provided at this stage.
- During the financial year 2021-22, one of the subsidiaries viz Digital Ventures Private Limited (DVPL) had defaulted in repayment of loans taken from two Lenders. In this regard, one of the Lenders vide its notice dated 14 February 2022 issued to the Holding Company had invoked the Corporate Guarantee issued by the Holding Company on behalf of DVPL and called upon the Holding Company to make payment of an amount of Rs. 9,162.00 lakhs outstanding as at 30 June 2021 with further interest w.e.f. 01 July 2021 as per the terms of sanction letters. Further, during the financial year 2022-23, the Holding Company had also received notice from the other lender invoking Corporate Guarantee issued by the Holding Company on behalf of DVPL and called upon the Holding Company to make payment of an amount of Rs. 2,299.59 lakhs outstanding as at 30 September 2021. The Covid-19 pandemic had caused disruption in the activities especially in the education sector and there were restrictions on carrying out the operations of schools under the brick and mortar model. However, the schools have opened up and students are being enrolled in the schools. Further, DVPL has started making repayment of its loan through an agreed mechanism as per discussions with the Lenders.
- The Holding Company had taken term loan of Rs. 3,500.00 lakhs and overdraft facility of Rs. 1,900.00 lakhs vide credit facility sanction letter dated 18 July 2017 (together referred as credit facilities) from Abu Dhabi Commercial Bank (ADCB). Further, ADCB assigned the said credit facilities to DCB Bank Limited (DCB) as per the Deed of Assignment and Subrogation Agreement both dated 31 March 2020 with same terms and conditions as per the original sanction letter. Furthermore, during the earlier years, the Holding Company defaulted the repayment of the credit facilities including interest to DCB. However, during the previous year, DCB issued No Dues Certificate to the Holding Company and also satisfied the charges on the said outstanding credit facilities. In view of above, the said credit facilities were classified as Unsecured as at 31 March 2023 and had provided interest (including penal interest) on outstanding term loan and overdraft facility till 31 March 2023. During the quarter ended 30 September 2023, the Holding Company has taken an opinion on the above matter and considering the same the Holding Company is of the view that no interest provision on the said credit facilities is required to be made till the time the Holding company can ascertain any liability arising out of Deed of Assignment and Subrogation Agreement. In view of above, the Holding Company has not provided any interest on the said credit facilities w.e.f. 01 April 2023 and continued to show the outstanding amounts in respect of said credit facilities as at 30 September 2023 as an Unsecured current borrowings.
- MT Educare Limited (MTEL) and its subsidiaries (MTEL group) have loans, trade and other receivables of Rs 8,784.08 lakhs (net of provisions on consolidated basis) outstanding as at 30 September 2023 from other parties having operations in the education sector, which are overdue/rescheduled. Management/Resolution Professional (RP) anticipates progress in business in the coming period which will enable recovery of the receivables in an orderly manner. Additionally, the Management/RP considers the outstanding dues to be good and recoverable.
- MTEL and its subsidiaries had taken loan from Bank and Financial Institution and others ("lenders"). The MTEL Group has not recognised interest expense (excluding penal interest if any) of Rs. 128.95 lakhs and Rs. 256.50 lakhs for the quarter and half year ended 30 September 2023 (cumulatively Rs. 1,457.12 lakhs upto 30 September 2023). The claims are submitted by financial creditors, however the adjustments, if any, thereof including other claims shall be done in accordance with the outcome of the CIRP.
- The Covid-19 pandemic had caused an adverse impact on the business operations of the Group and its financial health. The Holding company and certain subsidiary companies had defaulted in their debt obligations and also the Holding Company/one subsidiary company had received notices from Yes Bank and other lenders for invocation of corporate guarantees, and Yes Bank had also initiated Corporate Insolvency Resolution Process (CIRP) against the Holding Company and its subsidiary company as corporate guarantors (Refer note 7 and 8 above). Also in the case of one subsidiary company viz MT Educare Limited NCLT admitted the application and ordered the commencement of CIRP (Refer note 13 below). These events indicate the existence of material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. However, the management has re-evaluated and concluded that the Group will have sufficient liquidity to continue its operations in an uninterrupted manner, demand for its product portfolio and improvement in projected cash flows through normal operations and timely monetization of assets. In view of above and further based on business potential and the mitigating steps being taken by the Group, these consolidated unaudited financial results have been prepared on going concern basis.
- Pursuant to an application filed by Connect Residuary Private Limited (Operational Creditor of MTEL) before the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the application and ordered the commencement of corporate insolvency resolution process ("CIRP") of one of its subsidiaries i.e. MT Educare Limited ("Corporate Debtor"). "MTEL" vide its order dated 16 December 2022. The NCLT had appointed Mr. Ashwin Bhavanji Shah as the Interim Resolution Professional (IRP) for the Corporate Debtor vide its order, dated 16 December 2022. Interim Resolution Professional took charge of the affairs of the corporate debtor on 23 December 2022. Director Mr. Vipin Choudhry challenged the order of the Hon'ble NCLT dated 16 December 2022 before the National Company Law Appellate Tribunal ("NCLAT"), New Delhi. The Hon'ble NCLAT by an order dated 6 January 2023 had stayed the constitution of Committee of Creditors (COC) till further hearing. There has been continuation of stay on constitution of CoC by the Hon'ble NCLAT from time to time till 2 June 2023. Final hearing concluded on 02 June 2023 and matter was reserved for order. Finally, Hon'ble NCLAT order was pronounced on 18 August 2023 whereby Appeal filed by Director Mr. Vipin Choudhry was dismissed. The said order dated 18 August 2023 was served upon IRP on 21 August 2023. IRP immediately constituted Committee of Creditors on 21 August 2023. The 1st COC meeting was held on 28 August 2023 and thereafter three more meetings were held. COC have decided to appoint new Resolution Professional u/s 22(3)(b) of IBC 2016 but as of date the said appointment is pending from COC. In accordance with regulation 17(3) of CIRP of IBC, IRP is performing the functions of Resolution Professional (RP) till the confirmation of appointment of RP is done by Hon'ble NCLT upon application of COC in this regard. Considering various factors including admission of the corporate debtor, there are various claims submitted by the operational creditors, the financial creditors including corporate guarantee, employees and other creditors. The overall obligations and liabilities including obligation for interest on loans shall be determined during the CIRP and accounting impact if any will be given on completion of CIRP. Despite of ongoing Corporate Insolvency Resolution Process (CIRP) proceedings and constitution of CoC under the Insolvency and Bankruptcy Code, 2016 (IBC), the Holding Company/Promoter has certain rights (including rights under Section 12A of IBC) to ensure revival of MTEL as per the intent of the IBC. The Holding Company will evaluate all the options available under the IBC laws and take necessary steps for the revival of MTEL and accordingly, the Holding Company is of the opinion that the financial results of MTEL should be continued to be consolidated until all such rights are available to the Company for revival of MTEL. Therefore, the Holding Company has consolidated the unaudited financial results of MTEL for the quarter and half year ended 30 September 2023 in the above unaudited consolidated financial results.
- MTEL group has not provided for interest income of Rs.190.01 lakhs and Rs. 380.02 lakhs for the quarter and half year ended 30 September 2023 on loans given considering prudence for pending recovery long outstanding of principal amount.
- SVC Cooperative Bank Limited (SVC) has issued demand notice u/s 13(2) of SARFAESI Act to one of the subsidiary of MTEL viz Labh Ventures India Private Limited (a step down subsidiary of Holding Company) as principal borrower and MTEL as corporate guarantor for Rs 49.73 crores. SVC has filed claim before RP of MTEL for Rs 49.73 Crores since MTEL was corporate guarantor. However, the claim submitted by SVC has not been admitted by the RP, owing to the fact that there was no invocation of corporate guarantee by SVC prior to Insolvency commencement date i.e 16 December 2022.



Anish Shah
Anish Shah
Chief Financial Officer

For and on behalf of the Board of Directors

Manish Rastogi
Manish Rastogi
CEO & Whole-time Director
DIN: 10056027

Mumbai, 07 November 2023